Amendments to and Listing of the Claims

This listing of claims will replace all prior versions, and listings, of claims in the application:

1-4. (Cancelled).

5. (Currently amended) [[The]] A spatial scalable video encoder for encoding an image block, of claim 3, further comprising:

a motion compensator for forming a motion compensated full resolution prediction;

a subtractor, in signal communication with said motion compensator, for subtracting the motion compensated full resolution prediction from the image block to form a prediction residual;

a downsampler, in signal communication with said subtractor, for downsampling the prediction residual to form a low resolution downsampled prediction residual;

a transformer/quantizer, in signal communication with said downsampler, for coding the low resolution downsampled prediction residual;

an inverse quantizer/inverse transformer, in signal communication with said transformer/quantizer, for inverse quantizing and inverse transforming the coded low resolution downsampled prediction residual to form a coded prediction residual;

an upsampler, in signal communication with said inverse quantizer/inverse transformer, for upsampling the coded prediction residual to form a coded upsampled prediction residual;

an adder, in signal communication with said upsampler, for adding the upsampled prediction residual to a motion compensated full resolution prediction to form a sum signal;

a subtractor, in signal communication with said adder, for subtracting the sum signal from the input image block to form a difference signal; and

another quantizer/transformer, in signal communication with said subtractor, for forming a full resolution enhancement layer error signal from the difference signal.

6. (Currently amended) The spatial scalable video encoder of claim 5, further comprising:

an entropy coder, in signal communication with said quantizer/ transformer, for encoding the coded <u>low resolution</u> downsampled prediction residual into a base layer bitstream; and

another entropy coder, in signal communication with said <u>another</u> quantizer/transformer, for encoding the full resolution enhancement layer error signal into a<u>n</u> enhancement layer bitstream.

7. (Original) The spatial scalable video encoder of claim 6, wherein the enhancement layer bitstream is encoded only for intra-coded slices in the base layer bitstream.

8-11. (Cancelled).

12. (Currently amended) ~~The spatial scalable video encoder of claim 10, further~~ <u>A</u> <u>method for encoding an image block,</u> comprising the steps of:

<u>forming a motion compensated full resolution prediction;</u>

<u>subtracting the motion compensated full resolution prediction from the image block to</u> <u>form a prediction residual;</u>

<u>downsampling the prediction residual to form a low resolution downsampled prediction</u> <u>residual;</u>

<u>coding the low resolution downsampled prediction residual to form a coded low</u> <u>resolution downsampled prediction residual;</u>

<u>inverse quantizing and inverse transforming the coded low resolution downsampled</u> <u>prediction residual to form a coded prediction residual;</u>

<u>upsampling the coded prediction residual to form a coded upsampled prediction residual;</u>

<u>adding the coded upsampled prediction residual to a motion compensated full resolution</u> <u>prediction to form a sum signal;</u>

subtracting the sum signal from the ~~input~~ image block to form a difference signal; and

quantizing and transforming the difference signal to form a full resolution enhancement layer error signal.

13. (Currently amended) The method of claim 12, further comprising the steps of:

encoding the coded <u>low resolution</u> downsampled prediction residual into a base layer bitstream; and

encoding the full resolution enhancement layer error signal into a<u>n</u> enhancement layer bitstream.

14. (Original) The method of claim 13, wherein the enhancement layer bitstream is encoded only for intra-coded slices in the base layer bitstream.

15. (Cancelled).